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Chairman: Mr. Balarezo ..... (Peru)

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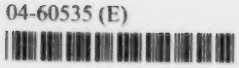

The meeting was called to order at 3.10 p.m.

Agenda item 91: Permanent sovereignty of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources (*continued*) (A/59/3 (chap. I) and A/59/89-E/2004/21)

1. **The Chairman** asked the observer delegation of Palestine to convey the Committee's condolences to the Palestinian people on the loss of their leader.

2. **Mr. Alaujan** (Bahrain) said that under international law and international humanitarian law an occupying Power did not exercise sovereignty over occupied territory and had an obligation to respect cultural property and other property.

3. His Government was concerned at Israel's failure to respect United Nations resolutions and other international instruments and at its persistent obstruction to international peace initiatives, its ongoing annexation of Arab territory since 1967, the spread of settlements, its exploitation of natural resources, including water resources and agricultural and residential land, its restriction on movement between Palestinian towns and villages, its establishment of check points and other actions, all of which were denials of human rights and fundamental freedoms under the Charter of the United Nations and violated General Assembly resolution 58/229 which reaffirmed the inalienable rights of the Palestinian people and the population of the occupied Syrian Golan over their natural resources, including land and water, and called upon Israel, as the occupying Power, not to exploit, cause loss or depletion of or endanger the natural resources in the Occupied Palestinian Territory, including East Jerusalem, and in the occupied Syrian Golan.

4. Israel's most serious violations were associated with the continuing settlement activity in occupied Palestine and the occupied Syrian Arab Golan, particularly in already populated areas from which the residents had been forcibly expelled without regard for international instruments and in violation of Security Council resolution 465 (1980), which had declared that the settlements were illegal and called for the existing settlements to be dismantled. The situation was further complicated by the increase in the number of homeless people — estimated at between 13,000 and 16,000 in 2003 — who had been forcibly displaced as a consequence of the expropriation of land by Israel.

5. Despite the recent advisory opinion of the International Court of Justice concerning the illegality of the separation wall being built by Israel, construction had continued both around Jerusalem and in the West Bank inside the green zone. The separation wall divided Palestinian land in the West Bank and the Gaza Strip and had considerably worsened the situation of the populations.

6. A report prepared by the Economic and Social Commission for Western Asia (ESCWA) (A/58/75-E/2003/21) provided a convincing picture of the hardships suffered by the Palestinian people, including an increase in poverty and unemployment, as a result of Israeli practices as well as a deterioration in health facilities and the displacement of hundreds of Palestinians following the destruction of their houses.

7. The report by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (A/59/13) stated that one third of the 1.3 million Palestinian refugees in the camps administered by the Agency were located in areas close to Israel, including the West Bank and the Gaza Strip. The camps were overcrowded and lacked basic facilities, including electricity and sewerage. The UNRWA figures showed that some 10,000 Palestinians had been rendered homeless as a result of the destruction of houses since 2000 and that unemployment had reached 70 per cent in some areas.

8. In the occupied Syrian Golan, Israel had continued to alter the legal and demographic characteristics of the occupied territory. Despite condemnation by the international community of its settlement policy, it had continued to build settlements and military camps in the occupied territories and to exploit agricultural land and water resources. The mobility restrictions imposed on the Arab population and other measures, including taxes on the purchase and sale of food and on the use of water, land and transport, were illegal under the fourth Geneva Convention of 1949 and contrary to Security Council resolution 497 (1981), which had declared the action by Israel to be without legal effect and demanded the rescission of the measures it had imposed.

9. Peace was a strategic choice and, as the Millennium Declaration had stated, was a universal aspiration. The achievement of peace in the Middle

East required compliance with all obligations, in particular Security Council resolutions 242 (1967) and 338 (1973) as well as the Madrid peace process, the principle of land for peace, the road map and the Arab peace initiative endorsed by the Beirut Summit and other international gatherings.

10. **Mr. Zoubi** (Jordan) expressed deepest condolences to the delegations and people of the United Arab Emirates and Palestine on the deaths of their leaders, Sheikh Zayed bin Sultan Al Nahyan and President Yasser Arafat, respectively. Both men had dedicated their lives to unifying their people in pursuing the right to establish their own independent State.

11. He said that the ESCWA report on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan (A/59/89-E/2004/21), illustrated the difficulty in tracking the causes of that situation. Almost all the main topics and indicators in the report showed a worsening of the situation during the period under review.

12. The scope of the repercussions went far beyond their economic and social dimensions; the economy in the territory under Israeli occupation had deteriorated to the extent that it had been described as "war-torn". He referred to a statement made by the representative of Egypt under the current agenda item on an earlier occasion, to the effect that the Millennium Development Goal indicators for Palestine had regressed under Israeli occupation.

13. All through the years preceding and following the signing of the peace treaty between Jordan and Israel and in the eleven years since the signing of the Oslo Agreement between the Government of Israel and the Palestine Liberation Organization, Jordan had maintained its position of working towards a just, comprehensive and lasting peace in the Middle East. Both sides, and the other countries in the region, were regarded as partners of Jordan in the quest for a comprehensive peace. Jordan viewed the current agenda item as an opportunity not so much for launching harsh criticisms against Israel, as for voicing its concerns regarding the consequences of Israel's continued policies. Such practices and policies could have a serious dampening effect on peace and the two-State solution, as stipulated in the road map of the Quartet. Furthermore, the consequences of those policies were further exacerbated by Israel's continued defiance of United Nations resolutions in that regard.

14. Jordan was deeply concerned about the impact on young people of Israeli practices in the territory under its occupation, such as massive school closures due to movement restrictions that confined children to their homes and damage inflicted on schools, as described in paragraph 41 of the ESCWA report.

15. **Mr. Sabbagh** (Syrian Arab Republic) began by extending his sympathies to the observer delegation of Palestine and to the Palestinian people on the death of their leader, Mr. Yasser Arafat.

16. In a statement in the Economic and Social Council the previous July his delegation had said that the Israeli practices in the occupied territories since 1967 had been designed to perpetuate the occupation and expand the building of settlements. His delegation had also referred to the illegal expropriation of land and to the killing, destruction and terrorism practised by Israel, some examples of which were cited in the ESCWA report (A/59/89-E/2004/21) which referred, in particular, to the targeting of civilians, the destruction of wells, the uprooting of trees, the expulsion by the occupying Power of the population and the destruction of their homes, and the associated killing, including the crushing to death by an Israeli bulldozer of a United States solidarity worker who had been trying to prevent destruction of a Palestinian house in the Gaza Strip. The report described the daily sufferings of the Palestinian people and of the civilian population of the occupied Syrian Golan where Israel had continued to deny basic human rights in defiance of the applicable United Nations resolutions and the principles of international law.

17. The representative of Israel, who had had the effrontery to speak of his country's contributions to development, had perhaps forgotten that those contributions had included the uprooting of trees, the theft of water and the laying waste and desertification of occupied Arab territory and environmental pollution by chemical and nuclear waste, all of which were documented in United Nations reports.

18. Statistics were inadequate to convey the full extent of the desperate plight of the Palestinian people under an Israeli Government that took pride in its acts of terrorism and gave free rein to its war machine,

which in many cases even targeted innocent children. Israel was continuing to impose its policies, not only killing and destroying but plundering natural resources in occupied Palestine and in the occupied Syrian Golan as well as preventing Arabs from using their water resources and building warehouses and wells.

19. Israel had tried to impose a new reality on the ground while continuing to build its expansionist, racist wall which annexed vast areas of Palestinian territory, in total disregard of the advisory opinion of the International Court of Justice, which had stated that the wall was illegal and should be dismantled. Israel's aim in constructing the wall was to strengthen its colonialist presence by cutting off access to Palestinian territory, and to impede the establishment of a sovereign Palestinian State in the occupied territory that it had occupied since 1967, including Jerusalem. Those practices were continuing, while at the same time the Arab side was endeavouring to achieve a just and comprehensive peace based on international legitimacy and the principle of land for peace.

20. **Mr. Ramadan** (Lebanon) began by offering his condolences to the Palestinian people on the death of its elected President.

21. It was regrettable that the Committee was discussing the same item yet again and was likely to be discussing it the following year. The ESCWA report (A/59/89-E/2004/21) fully documented the barbarity of the Israeli occupation of Palestinian territory and of the Syrian Golan. That occupation had lasted for over 37 years and it was important for the Committee to adopt a resolution on the subject every year. Given that the Committee was primarily concerned with sustainable development, poverty eradication and the attainment of the Millennium Development Goals, above all through the exploitation of natural resources, the illegal exploitation of those resources by Israel was of direct concern to it and the adoption of a resolution would be an essential aspect of the Committee's commitment to development.

22. In its resolution 2003/59, the Economic and Social Council had affirmed that Israeli settlements in the Occupied Palestinian Territory, including East Jerusalem, and the occupied Syrian Golan, were illegal and an obstacle to economic and social development. Israel's settlement policy was one of continuing expansion; the areas earmarked for settlement covered 41.9 per cent of the occupied West Bank and 45 per cent of the occupied Gaza Strip. The settlements were connected by a network of roads crossing Palestinian territory and destroying vast areas of agricultural land belonging to people whose economy was largely based on agriculture. In the occupied Syrian Golan, most of the land was set aside for military use and for settlements. As a result, the remaining Syrian Arab population controlled only 6 per cent of its territory.

23. The separation wall that Israel was currently building in occupied Palestine was estimated to be three times as high and twice as long as the Berlin Wall and would annex 16.6 per cent of Palestinian territory. Not only would the wall deny Palestinian farmers access to their land, but the annexation by Israel of 51 per cent of the water resources of the West Bank would deny Palestinians the water they needed for farming and would lead to the widespread destruction of agricultural land.

24. **Mr. Atiyanto** (Indonesia), noting the mounting economic and social damage caused by the protracted occupation of Palestinian territory, expressed his delegation's concern over the intolerable situation of Palestinians. General Assembly resolutions on the sovereignty of States and avoidance of the use of extraterritorial coercive measures as instruments for the attainment of national goals should be respected. Israeli occupation clearly bred ill-will among Palestinians, jeopardized their right to self-determination and deprived them of control over the resources within their shifting borders.

25. Indonesia wished to reaffirm the inalienable rights of the Palestinian people and the population of the occupied Syrian Golan over their natural resources and its support for the implementation of General Assembly resolution 58/229 and other United Nations resolutions in that regard.

26. **Mr. Mirafzal** (Islamic Republic of Iran) expressed his delegation's condolences at the sad demise of Chairman Yasser Arafat, a great leader who had struggled for half a century against Israeli occupation of Palestinian territory. The name of Yasser Arafat would forever be reminiscent of his defence of the legitimate rights of the people of Palestine, and his tireless efforts in various international and regional organizations to achieve liberation would never be forgotten.

27. Once again, the report prepared by ESCWA documented grave violations of international

humanitarian law perpetrated by Israel against the Palestinian people in the occupied Palestinian Territory. Recent military operations by Israel against civilian targets in the Gaza Strip and the brutal killing of a large number of Palestinian civilians, including children and women in refugee camps, constituted war crimes. Such acts, along with many other forms of dispossession and destruction of assets had rendered the Palestinian people helpless. Israel's acts of aggression and oppression were deliberate attempts to preclude and torpedo any possibility for peace in the region. The fatal disregard for the demands of the international community and the conduct of violence and terror had exacerbated an already dire situation.

28. The impunity with which Israel had been allowed to carry out its crimes had emboldened its Government. It was therefore high time for the international community to take effective measures to protect and enforce the most basic rights of the Palestinians and to end the vicious cycle of violence resulting from the occupation. The ending of Israeli occupation and the establishment of a Palestinian State, with Quds al-Sharif as its capital, the return of all Palestinian refugees to their homeland, and the ending of the occupation of the Syrian Golan were the only viable and sustainable means of ensuring the permanent sovereignty of the Palestinian people and the Arab population over their natural resources.

29. It was imperative that the international community should become more effectively involved and, in that regard, the Committee could play an important role by addressing the detrimental effects of the Israeli occupation on the living conditions of the Palestinian people and by acting to prevent Israel from continuing to flout the will of the international community, as expressed through the relevant United Nations resolutions.

30. **Mr. Husain** (Observer for the Organization of the Islamic Conference (OIC)) joined previous speakers in expressing his delegation's deepest condolences on the untimely demise of Chairman Yasser Arafat.

31. He welcomed the report's emphasis on the importance of reviving the Middle East peace process on the basis of Security Council resolutions 242 (1967), 338 (1973), 425 (1978) and 1397 (2002), the principle of land for peace, and the need for compliance with the agreements reached between the Palestine Liberation Organization and the Government of Israel. The report also highlighted Economic and Social Council resolution 2003/59, reaffirming the applicability of the 1949 Geneva Convention relative to the Protection of Civilian Persons in Time of War. OIC maintained the principle of the inalienable rights of the Palestinian people and of the population of the occupied Syrian Golan over their natural and economic resources, including land and water. It was therefore deeply concerned about the grim scenario described throughout the ESCWA report, which detailed the damaging effects of the protracted Israeli occupation on all aspects of the lives of Palestinians and, in particular, on the economy, women and family life.

32. The member States of OIC shared the grave concerns of the United Nations over the situation in the Occupied Palestinian Territory. At the tenth session of the Islamic Summit Conference, Heads of State and Government had reaffirmed the need to establish an independent Palestinian State, with Jerusalem (Quds al-Sharif) as its capital, and the need to implement all international resolutions pertaining to Palestine and the Middle East. They had also called on the Quartet to work studiously to reach a just and comprehensive peace in the Middle East in implementation of the relevant resolutions of international legitimacy, the Madrid Principles, the Arab Peace Initiative and the road map as published.

33. He drew attention to chapter III of the ESCWA report, which dealt with the occupied Syrian Golan, and said that the Islamic Summit Conference had demanded that Israel should complete its withdrawal from the area to the borders of 4 June 1967, in accordance with Security Council resolutions and the principle of land for peace.

34. OIC was of the view that the construction of a wall was creating unjust realities in respect of the borders of Palestine and was further hindering confidence-building measures in pursuit of the road map. The United Nations General Assembly, the Islamic Summit Conference and International Court of Justice had all stated reasons confirming that the wall was unacceptable and that further progress in its construction should be prevented.

35. OIC advocated the resumption of peace negotiations and the adoption of firm and practical measures and deadlines for the establishment of an independent sovereign State of Palestine, with Jerusalem as its capital. It would be timely, pragmatic

and courageous to end the occupation in order to lay the foundations for sustainable peace and prosperity for Palestine and all countries of the region.

36. **Mr. Al-Shabibi** (Yemen) said that the sufferings of the Palestinian people and of the population of the Syrian Golan were getting steadily worse under the Israeli occupation. The facts and figures contained in the ESCWA report (A/59/89-E/2004/21) indicated the existence of a humanitarian catastrophe of which the entire world, and the United Nations in particular, should take note, particularly in view of the economic and social consequences of the Israeli practice of destroying and plundering resources and property. It was distressing, in the twenty-first century, and in a world that proclaimed the principles of freedom, equality and human rights, that the Palestinian people should be suffering repression and injustice and be denied by the Israeli occupation the right to live in peace in its own national territory.

37. The international community did not need new resolutions in order to relieve the suffering of the Palestinian people, but rather a genuine will and courage to force Israel to implement the existing resolutions of the United Nations, particularly Security Council resolution 242 (1967), 338 (1973), 1397 (2002) and 1515 (2003). His delegation shared the opinion of the Secretary-General that the only means of relieving the sufferings of the Palestinian people was to establish a just and comprehensive peace in the Middle East and to put an end to the Palestinian-Israeli conflict.

38. In conclusion, he reaffirmed the support of his Government for the Palestinian people in its aspiration to secure sovereignty over its national territory, and to establish a Palestinian State with Jerusalem as its capital, and for the people of the Syrian Arab Golan and Lebanon in their struggle to regain sovereignty over the occupied Syrian Golan and the Shab'a Farms area of Lebanon.

Agenda item 85: Sustainable development (*continued*)

(b) Further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (*continued*) (A/C.2/59/L.34)

(c) International Strategy for Disaster Reduction (*continued*) (A/C.2/59/L.7 and L.31)

39. **The Chairman** told the Committee that the draft resolution contained in document A/C.2/59/L.34, entitled "Promoting an integrated management approach to the Caribbean Sea area in the context of sustainable development" was not yet available in all working languages, and asked if it wished to proceed with its adoption in English only.

40. **Ms. Wang** Ling (China) said her delegation needed to have the Chinese version of the draft resolution, which it hoped the Secretariat could make available as soon as possible.

41. **Mr. Al-Rasheed** (Saudi Arabia) said that discussion of the draft resolution should be postponed until it was available in all working languages.

42. **Ms. Navarro** (Cuba) appealed to the Secretariat to do all it could to ensure that such a situation did not arise again. It was very important for delegations to have draft resolutions available in all languages before discussing them.

43. **Mr. Seth** (Secretary of the Committee) said that from the beginning of the session the need had repeatedly been emphasized for draft resolutions to be submitted at least forty-eight hours in advance of their scheduled discussion to allow time for them to be translated. The Secretariat's predicament was that while wishing to adhere to a timetable it was receiving agreed texts so late that it had become difficult and sometimes impossible to translate and distribute them in time. The difficulty could be resolved only by a more orderly submission of draft resolutions. In future, meetings would be scheduled only when draft resolutions were available in all languages.

44. **Mr. Rojas** (Chile) said it was not easy for delegations that were acting as facilitators and negotiating on behalf of regional groups. Decisions had to be taken on the basis of multilingualism, and discussions leading to agreed texts of draft resolutions should not be undertaken in haste. The Committee's

working methods were neither improving nor complying with the principle of multilingualism.

45. **The Chairman** requested the Secretariat to do its best to ensure that the draft resolutions relating to the present agenda item were available in all languages by the following day. Later in the session, the Committee could discuss the question of modalities and deadlines for the submission of draft resolutions in general and members could take a collective decision on improvement of its work in that regard.

46. **Mr. Toscano** (Switzerland), Facilitator, read out the following minor changes to draft resolution A/C.2/59/L.31, entitled "International Strategy for Disaster Reduction": in the last line of the last preambular paragraph, the words "preparations for" should be deleted; in operative paragraph 4, "to cover the costs" in the second line should read "to cover costs"; in operative paragraph 9, "with" should be inserted after "such as" in the second line; and in operative paragraph 13, "in Bonn" in the last line should be moved to the end of the paragraph.

47. **Mr. Seth** (Secretary of the Committee) said that by operative paragraph 18 of the draft resolution the General Assembly would request the Secretary-General to allocate adequate financial and administrative resources, within existing resources, for the effective functioning of the inter-agency secretariat for the Strategy. The Secretary-General wished to draw Member States' attention to the fact that the General Assembly, in its resolution 54/219, had established the secretariat for the International Strategy for Disaster Reduction and the Inter-Agency Task Force for Natural Disaster Reduction as successor arrangements for the International Decade for Natural Disaster Reduction. The secretariat for the Strategy and its activities were exclusively financed from extrabudgetary resources. Therefore, if the General Assembly adopted draft resolution A/C.2/59/L.31, there would be no financial implications for the regular budget. The Committee's attention was drawn to the provisions of section VI of General Assembly resolution 45/248 B, in which the Assembly reaffirmed that the Fifth Committee was the Main Committee of the Assembly entrusted with responsibilities for administrative and budgetary matters, and reaffirmed also the role of the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

48. *Draft resolution A/C.2/59/L.31, as orally revised, was adopted.*

49. *Draft resolution A/C.2/59/L.7 was withdrawn.*

Agenda item 89: Eradication of poverty and other development issues (A/59/115, A/59/155-E/2004/95 and A/59/158)

(a) Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (A/59/326 and Add.1)

(b) Women in development (A/59/287)

(c) Industrial development cooperation (A/59/138)

50. **Ms. Kan** (Chief, Social Perspective on Development Branch, Department of Economic and Social Affairs), introducing the report of the Secretary-General on the implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) and preparations for the International Year of Microcredit, 2005, as contained in document A/59/326, said that in the past decade a growing number of studies had suggested that under the right conditions access to financial services, particularly microcredit, enabled poor people to increase their incomes, build assets and reduce their vulnerability to crises. They had also shown that microfinance clients, especially women, had been empowered and able to translate their increased incomes into investments in education, health, nutrition and better management of household emergencies.

51. Several challenges, however, remained, notably how to reach those who still did not have access to microfinance and the concern raised by the growing commercialization of microfinance regarding the need to balance social mission against the need for financial viability and profitability. Governments and international stakeholders could play an important role in identifying, developing and supporting microfinance institutions, and the report offered recommendations to that end.

52. The second part of the report provided information on the key initiatives and activities planned by Governments, the United Nations system and other stakeholders to mark the International Year of Microcredit. It was encouraging to note that a number of countries had already established multi-

stakeholder national coordinating committees or focal points. The joint coordinators were focusing their activities on communication initiatives to build broad public awareness, special events and partner collaboration. Observance of the Year should be viewed not as an isolated event but as part of a continuing process of advocacy and partnership to promote and provide greater access to microcredit and microfinance by poor people.

53. **Ms. Hannan** (Director, Division for the Advancement of Women), introducing the report of the Secretary-General on the *World Survey on the Role of Women in Development* (A/59/287), said that the full *Survey* would be issued in December 2004 and would be available for broader distribution as a publication of the Division for the Advancement of Women at the forty-ninth session of the Commission on the Status of Women early in 2005. The Secretary-General's report provided a summary of key elements in the full *Survey*. Consideration of women in development within the framework of the General Assembly's work on economic and financial matters, on a biannual basis, provided an important opportunity to highlight gender perspectives in current and emerging economic issues and to contribute to the formulation and implementation of gender-sensitive development policies and programmes.

54. The report currently before the Committee addressed the issue of women and international migration. The migration of women had always been an important component of international migration. Migrant women contributed to the economic development of both their country of destination, through their competencies and skills, and their countries of origin, through financial contributions from remittances and the improvement of their own education and skills. Refugee and displaced women and girls faced particular problems, including vulnerability to sexual violence and exploitation. The trafficking of women and girls for prostitution and forced labour was one of the fastest growing areas of international criminal activity.

55. The *World Survey on the Role of Women in Development* made a number of recommendations for improving the situation of migrant, refugee and trafficked women. Among other measures, the report recommended ratification and implementation of all international legal instruments that promoted and protected the rights of migrating women and girls; review of national emigration and immigration laws and policies; development of policies and programmes to enhance women's access to employment opportunities, safe housing, education and language training, health care and other services; and research and improved data collection activities to provide a more solid basis for the formulation of appropriate gender-sensitive migration policies and programmes. It was hoped that those recommendations could be incorporated into the resolution on international migration to be adopted by the Second Committee at the current session.

56. The *World Survey on the Role of Women in Development* would provide an important input for the 10-year review and appraisal of implementation of the Beijing Platform for Action and the outcome of the special session of the General Assembly to be held in connection with the forty-ninth session of the Commission on the Status of Women in 2005. The Commission would focus on national-level implementation through sharing of experiences and good practice, including in a number of high-level interactive events. One high-level panel would focus on integrating gender perspectives into macroeconomics and a second would address the challenges in linking the Beijing Platform for Action with the Millennium Declaration and the Millennium Development Goals.

57. The Millennium Declaration recognized the need to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that was truly sustainable. The General Assembly had reaffirmed, in its resolution 56/188, that gender equality was of fundamental importance for achieving sustained economic growth. Gender perspectives needed to be explicitly outlined in the development of strategies to achieve the Millennium Development Goals on poverty and hunger, education, maternal and child mortality, HIV/AIDS and other diseases, environmental sustainability and partnerships for development.

58. The United Nations conferences and summits over the past decade had been instrumental in highlighting the cross-cutting nature of gender perspectives and their relevance for sustainable development, including the promotion of economic growth and poverty eradication, through incorporating attention to gender perspectives in policy

recommendations. Greater attention now had to be given to implementation strategies, including the establishment of targets and indicators, and to follow-up and reporting mechanisms. The work of the Second Committee provided an opportunity for broadening and strengthening attention to gender perspectives in the pursuit of economic growth, poverty eradication and sustainable development. The resolution on the triennial comprehensive policy review of operational activities for development of the United Nations system provided one such important opportunity. A strong recommendation should also be made on the incorporation of gender perspectives into the first comprehensive review of the follow-up to the Millennium Declaration and the Second High-level Dialogue on Financing for Development, both of which were planned for 2005.

59. **Mr. Sabri** (United Nations Industrial Development Organization (UNIDO)), introducing the report on industrial development cooperation (A/59/138), said that the report focused on the critical role of productivity factors and industrial development for the achievement of the Millennium Development Goals. It also reflected changes in the work undertaken by UNIDO over the past two years in the context of the Millennium Development Goals that had resulted in better programme delivery and increased efficiency of the Organization's activities. The corporate strategy, entitled "Productivity enhancement for social advance", proposed a new approach for UNIDO activities and interventions with better focus on productivity growth. In line with the corporate strategy, technical cooperation activities based on the service modules had been adjusted to meet the evolving needs of developing countries and countries in transition. The programmatic review had resulted in the selection of eight service modules: industrial governance and statistics; investment and technology promotion; industrial competitiveness and trade; private sector development; agro-industries; sustainable energy and climate change; the Montreal Protocol; and environmental management.

60. The report made special reference to the *Industrial Development Report 2004: Industrialization, Environment and the Millennium Development Goals in Sub-Saharan Africa: The New Frontier in the Fight Against Poverty*, which addressed the dynamic processes of productivity growth, wealth creation and social advance in sub-Saharan Africa in the context of the Millennium Development Goals.

61. In furtherance of the Secretary-General's efforts to enhance coordination at the country level, UNIDO was actively involved in Common Country Assessment/United Nations Development Assistance Framework (CCA/UNDAF) and Poverty Reduction Strategy Paper (PRSP) processes to ensure that opportunities available through industrial development were given full consideration in the process of developing country programmes. To enhance the impact of operational activities at the country level and in response to the initiatives of the Secretary-General, UNIDO was seeking cooperation with other United Nations organizations. In that context, UNIDO had initiated a dialogue with the United Nations Development Programme (UNDP) on strategic partnership that had resulted in the signing on 23 September 2004 of a cooperation agreement between UNIDO and UNDP. The agreement established the basis for both organizations to develop joint technical cooperation programmes, particularly in support of private sector development in developing countries, taking into consideration the recommendations of the United Nations Commission on the Private Sector and Development. At the same time, it introduced a new model of field representation with UNIDO desks established in UNDP offices. The agreement, which UNIDO viewed as a possible model for the entire United Nations system, would be implemented first during a pilot phase of two years, to be followed by a joint evaluation of its impact in terms of enhancing and expanding technical cooperation services and providing a cost-effective modality for joint field representation.

62. The Organization had entered into strategic partnership with the World Trade Organization (WTO) and the International Organization for Standardization (ISO) in the field of technical barriers to trade; it actively participated in the Millennium Project and had become a core member of the Global Compact. With its central coordinating role within the United Nations system in the field of sustainable industrial development, UNIDO continued to play an active role in United Nations coordinating mechanisms, including the United Nations Systems Chief Executives Board for Coordination/High Level Committee on Programmes and promoted better policy coherence in the field of economic development.

63. Because of the need for a stronger emphasis on economic development and a corresponding strengthening of coordination among the relevant United Nations entities as an essential factor to promote progress towards achievement of the Millennium Development Goals, UNIDO had put forward an initiative to enhance system-wide policy coherence and operational effectiveness in the economic field. It aimed at renewing the United Nations economic development functions in the context of the Millennium Declaration and emphasized the need to redress the current undersupply of specific public goods such as market efficiency, knowledge and environment, and to enhance the links between economic and social development in order to improve prospects for achieving the Millennium Development Goals and make the process sustainable. If the Second Committee endorsed the initiative, the United Nations system could significantly enhance its contribution to the achievement of the Millennium Development Goals.

64. In accordance with General Assembly resolution 57/237, the report contained an annex with information on the outcomes of the Global Biotechnology Forum, held from 2 to 5 March 2004 in Chile. He would like to express his gratitude to the Government of Chile for its constructive cooperation and support for that important event.

65. **Mr. Rojas** (Chile) thanked the representative of UNIDO for his kind words regarding the contribution of Chile to the Global Biotechnology Forum. He would also like to recognize the work done by UNIDO in planning the Forum.

66. **The Chairman** said he had two questions. Firstly, document A/59/326 suggested that Governments should be encouraged to take into account, where appropriate, guidelines such as the Guiding Principles on Regulation and Supervision of Microfinance (para. 67 (b)). He asked for clarification as to what type of guidelines or regulations were being referred to. Secondly, with regard to UNIDO, he wished to stress the importance of capacity-building in the area of productivity and industrialization. None of the modules dealt with development of productive capacity. He would like clarification as to why that was the case.

67. **Mr. Kogda** (Burkina Faso) said that his first question concerned microcredit. He had not heard any reference to the participation of financial institutions, particularly banks, in the International Year of Microcredit. He asked what the Coordinating Committee intended to do to involve the financial institutions and banks and to find out their views regarding the event.

68. His second question had to do with industrialization. As the Chairman had just mentioned, it was necessary to increase productive capacity. What should be done in that regard? Industrialization in itself was not enough; the developing countries needed technology. He asked what UNIDO could do to encourage the transfer of technology to the developing countries.

69. **Mr. Sabri** (United Nations Industrial Development Organization) said that UNIDO was guided by the corporate strategy and the business plan. There were now only eight service modules because UNIDO was trying to focus its work on priority activities for the industrial development of countries that were in great need. In Africa, for example, the Heads of State had recently adopted a UNIDO programme to be carried out within the framework of the New Partnership for Africa's Development (NEPAD) which placed great emphasis on the enhancement of productivity and capacity. Although the descriptions of the service modules might not include the specific wording that some delegations would like to see, most of them dealt with the issue. UNIDO had a department that was in charge of investment promotion and technology; in fact, the work of UNIDO was concentrated on that particular area, including private-sector development and the environment.

70. **Ms. Kan** (Chief, Social Perspective on Development Branch, Department of Economic and Social Affairs), replying to the question relating to paragraph 67 (b) of document A/59/326, said that the recommendation was further explained in paragraph 32 of the report, which contained suggestions on how microfinance could be better regulated and supervised in order to develop microfinance institutions. An important role for Governments as well as for the international community was to promote better governance and accountability. The guidelines adopted by the Consultative Group to Assist the Poor were mentioned merely to indicate that they could serve as a good basis for the international community to consider.

71. As for the question regarding financial institutions, she said that they were beginning to participate, and the Coordinating Committee was reaching out to them. Some banks were already involved, and it was hoped that more would join in the future.

72. **Mr. Van den Akker** (Netherlands), speaking on behalf of the European Union, the candidate countries (Bulgaria, Croatia, Romania and Turkey), the countries of the stabilization and association process (Albania, Bosnia and Herzegovina, Serbia and Montenegro, and the former Yugoslav Republic of Macedonia) and the EFTA countries (Iceland and Norway), said that economic growth alone was not sufficient to eradicate poverty, one of the greatest global challenges currently facing the world. Indeed, poverty eradication would only be sustainable when poor people participated in, contributed to and benefited from economic growth. Conditions should be created to increase access by the poor, particularly women, to microcredit and microfinance. Although inequality between the poor and the rich, men and women, was a hindrance to growth, most poverty-reduction plans and strategies overlooked social equity and gender equality concerns. At best, the existence of inequalities was recognized but few concrete policies were developed to reduce them.

73. The European Union was fully committed to poverty reduction and used the Millennium Declaration and the Millennium Development Goals as overarching frameworks for its development activities. In 2001, it had reiterated that poverty reduction was a core part of its development cooperation policy, which focused on economic development, social and human development and regional cooperation and integration. Gender equality, environmental sustainability, institutional development, capacity-building and combating HIV/AIDS were also cross-cutting themes which were essential for success.

74. The European Union, the single biggest investor in developing countries and a top provider of development assistance, was fully aware that development policies would not be sustainable if developing economies could not take part in the world economy. It therefore welcomed the July Package agreed by WTO in 2004, which signalled major progress towards a successful conclusion of the Doha Development Round. The European Union believed that the very favourable market access conditions it granted developing countries, including duty- and quota-free access for all least developed country exports under the "Everything but arms" initiative, together with financial assistance, including trade-related technical assistance and capacity-building to help countries make use of the opportunities offered, would lead to sustainable economic growth.

75. However, economic growth alone was not enough, since key issues of distribution and equality of opportunity must also be addressed. Developing countries themselves had the primary responsibility for poverty reduction. Indeed, under the Millennium Declaration, the eradication of extreme poverty had to go hand-in-hand with a stronger commitment to building and strengthening democratic institutions, respect and promotion of human rights and the rule of law, as well as the effective and equitable delivery of public services. To attain the Millennium Development Goals, Governments had to put in place an operational framework setting out a country-owned cross-cutting agenda. The business plans of various development partners, such as the World Bank's country assistance strategy and the United Nations Development Assistance Framework, could subsequently focus on how specific agencies could best support the implementation of nationally owned poverty reduction strategies and assist developing countries to make good progress towards reaching the Goals.

76. Noting that partnerships were key ingredients in the fight against poverty, he said that the European Union was fully determined to follow through on its commitments under the Millennium Development Goals and the Monterrey Consensus to support developing country efforts by dismantling trade barriers, expanding debt relief and increasing development assistance. Indeed, four European Union member States and Norway had already achieved the internationally agreed target of earmarking 0.7 per cent of gross national income for official development assistance. Furthermore, the European Union had made a collective commitment to earmark an average of 0.39 per cent of gross national income for ODA by 2006 and an individual commitment of at least 0.33 per cent.

77. Regarding innovative financing, the European Union supported the declaration by Heads of State and Government, heads of international organizations and civil society leaders adopted on 20 September 2004 at the meeting held at the United Nations. Referring to the Rome Declaration on Harmonization adopted by

the High-level Forum on Harmonization in February 2003, he said that the European Union faced the challenge of developing, in consultation with other development partners, a road map to improve coordination and reduce transaction costs, including by making the greatest possible use of national systems, which would also help to improve governance and enhance the delivery of public services.

78. The European Union was strongly committed to combating HIV/AIDS and to supporting affected people. Recent trends in prevalence and deaths indicated that the number of people living with HIV/AIDS had increased from 35 million in 2001 to more than 40 million currently, half of whom were women and children. The pandemic's spread among women and girls aged 15 to 29 in southern Africa had reached alarming levels, double the rate of men and boys in the same age group. Gender inequalities left many girls and women in developing countries vulnerable to abuse, often unable to negotiate safer sex or turn down unwanted sex. The gender dimension of HIV/AIDS must be tackled through innovative strategies and special prevention measures. Since the pandemic had long-term implications, global and national leadership, partnership and the availability of adequate resources to fight it needed to be further stressed.

79. The European Union was fully committed to the implementation of the Cairo Agenda, which set the objectives and goals in the area of sexual and reproductive health and rights, and to future challenges in implementing that Agenda, which required, inter alia, commitments to strengthen partnerships between public and private parties and addressed the urgent need for increased resources. 2005 would be a critical year, particularly for Africa, because of upcoming reviews of the Beijing Platform for Action and the Copenhagen Plan of Action tied in with the comprehensive review of the Millennium Declaration and the Millennium Development Goals. Achieving the Millennium Development Goals called for wider participatory processes, stronger institutions, focused investments in economic and social infrastructure and more domestic and external resources.

80. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that the Secretary-General's current report on the implementation of the first United Nations Decade for the Eradication of Poverty (A/59/326) extensively covered the contribution of microcredit to poverty eradication. In 2003, according to estimates, over 67 million poor and low-income people had had access to microfinance and up to 70 countries had had active microcredit and microfinance programmes. The experiences of least developed countries showed that microcredit and microfinance were effective tools for poverty reduction and the empowerment of people, particularly women. For example, in Bangladesh, the Grameen Bank, the world's largest microcredit provider, had almost 1,300 branch offices in more than 46,000 villages, serving 3.8 million clients, 96 per cent of whom were women. It had disbursed loans worth $4.5 billion.

81. Bangladesh had incorporated microcredit into its national development strategy and similar success stories had been recorded in Benin, Bolivia, Bosnia and Herzegovina, Nepal and Samoa. Microcredit could also be instrumental in increasing the productive capacities of communities, promoting the growth of local markets and creating jobs. However, inadequate policy and regulatory environments, poor access to information and weak human and institutional capacity for microfinance severely limited access to microcredit. In most least developed countries, penetration rates hardly exceeded 1 per cent.

82. Microfinance should not be viewed as the sole instrument for poverty reduction, despite its considerable impact in conditions of extreme poverty. Its enormous potential could be fully realized only in combination with other interventions such as social protection programmes, wage employment schemes and training. Many studies concluded that microcredit led to the empowerment of women and increased their self-confidence and status in the community. In that regard, the International Year of Microcredit created a unique opportunity to improve awareness and share knowledge of best practices and lessons learned in microcredit and microfinance. Microcredit had enormous potential for human security in the least developed countries. Indeed, for those countries, microcredit was more than just a development tool. It was a vital means of income generation, social inclusion and empowerment.

83. On the subject of women in development, he noted that gender-based disparity was most pronounced in least developed countries, where the great demand

for women's labour, particularly in rural areas, further exacerbated the marginalization of women. The lack of productive resources like land, credit, appropriate technology, knowledge-based production methods and fair prices for goods, impeded women's empowerment. The socio-economic conditions in least developed countries contributed to a large extent to the feminization of poverty. That situation had been compounded by the spread of HIV/AIDS among women and young girls. In that regard, greater access to education and training, credit and information would improve economic conditions, facilitate women's empowerment and contribute to family and household well-being. Many least developed countries emerging from conflicts continued to rely on women for the provision of basic household support as well as for the economic well-being of families and households. Therefore, the inclusion of women in peace and security efforts was bound to further enhance the broader objectives of conflict resolution and post-conflict peacebuilding.

84. **Mr. Al-Mahmoud** (Qatar), speaking on behalf of the Group of 77 and China, reiterated the important potential contribution of the World Solidarity Fund to the achievement of the Millennium Development Goals, especially the objective of halving by 2015 the proportion of people living on less than $1 a day. In that regard, he welcomed the preliminary meeting on 17 September 2004 of the High-level Committee of the World Solidarity Fund, a meeting that the Group hoped marked the beginning of the operationalization of that Fund. Solidarity had been identified in the Millennium Declaration as one of the fundamental and universal values which should underlie relations between peoples in the twenty-first century. Accordingly, the Group of 77 and China would propose in its draft resolution on that issue that 20 December of each year should be proclaimed International Human Solidarity Day.

85. Innovative sources of financing could play an important part in the fight against hunger and poverty, and he therefore welcomed the meeting of world leaders for action against hunger and poverty which had convened in New York on 20 September 2004. The Group of 77 and China, recognizing the crucial role of microcredit and microfinance in eradicating poverty, promoting gender equality, empowering vulnerable groups and developing rural communities, urged governments to facilitate the expansion of microcredit and microfinance institutions to service the large unmet demand for financial services among poor people, including the removal of institutional and regulatory obstacles and the provision of incentives to microfinance institutions.

86. The advancement of women worldwide, particularly in developing countries, had been impeded by widening economic inequalities, unemployment and high levels of poverty, intensified by globalization and other global economic transformations. Women still had no access to financial resources, such as credit and loans. In some countries, they lacked equal property rights and continued to earn lower wages and salaries than men. While globalization had opened up a range of new opportunities for women, in countries where its effects had increased poverty and left women with limited economic, social or political rights, international migration had become a viable option for them to improve their social and economic situations. In that regard, while migrant women contributed to the economic development of both their country of destination and their country of origin, they also faced greater risks of discrimination, exploitation and abuse than male migrants. The Group of 77 and China accordingly wished to urge that the gender dimensions of international migration be considered within the context of integrating women into development.

87. As for industrial development cooperation, it was a vital source of new technologies and technological innovation. Industrial development could facilitate the creation of new and important skills and could spark the institutional change needed for modern methods of production as well as generate entrepreneurship. Successful industrialization could then play a major role in creating employment as well as higher-paid jobs, ultimately addressing the issue of poverty eradication. In that regard, promoting micro-, small- and medium-sized enterprises through training, education and skills enhancement, with a special focus on agro-industry to provide livelihoods in rural communities, remained critical for many developing countries.

88. However, it was imperative to recognize the importance of transferring technologies to developing countries as an effective means of international cooperation with a view to achieving the Millennium Development Goals. Favourable international and national measures for the industrialization of developing countries, coupled with investment promotion and enhanced market access to enable

developing countries to achieve those Goals was also vital, as was the need for continued, coordinated and effective industrial development assistance in developing countries. The United Nations, particularly through UNIDO, also had an important role to play in addressing the industrial development needs of developing countries. In that regard, cooperation and coordination within the United Nations system in providing effective support for the sustainable industrial development of developing countries was essential. The Group of 77 and China welcomed the efforts by UNDP and UNIDO to increase their country-level cooperation and the efforts of UNIDO to play an active role in United Nations coordination mechanisms to promote better policy coherence in the field of economic development.

89. **Mr. Zhang** Yishan (China) said that the international community had made a tremendous effort to eradicate poverty and hunger, yet had fallen short of its original objectives. Greater focus on creating a peaceful and stable political environment in developing countries was crucial, as was the need for the effective management of the globalization process. Full participation of all countries and the fair distribution of the dividends of globalization could best be ensured through the establishment of fair, open and transparent structures and rules in world trade, investment and finance. In that regard, developed countries had an obligation and responsibility to fulfil their pledges with respect to financial aid, technology transfer, debt relief and trade.

90. Furthermore, developing countries should take firm action in fulfilling their own responsibilities and obligations, and should seek to incorporate poverty eradication into their national programmes and strategies for economic and social development, goal-setting and implementation.

91. Another important aspect of poverty eradication was the mobilization of efforts to establish domestic partnerships between interests representing government, the private sector, civil society, women and youth groups. At the global level, efforts should focus on poverty eradication goals, diversified cooperation and optimal use of various resources, and identifying ways of boosting dynamism in international cooperation geared towards poverty eradication.

92. He shared the view that in achieving the Millennium Development Goals there was a need to accelerate economic growth, for which industrial development was one of the main driving forces. He took the opportunity to express his delegation's appreciation for the work of UNIDO in assisting in the formulation of integrated programmes and country service frameworks for recipient countries. He also pointed out that, in the elaboration of those instruments, full consideration should be given to national conditions and priorities.

93. His Government attached high priority to poverty eradication and the achievement of prosperity for all people. Although China still had a low average per capita income and continued to face the problems and pressures of unbalanced development, over the past twenty years it had made enormous progress in reducing the number of people living in poverty from 250 million to 20 million, and rural poverty had fallen from 30.7 per cent to 3 per cent.

94. China had enjoyed fruitful cooperation in the area of poverty eradication with other countries and international organizations. In follow-up to the Global Conference on Scaling Up Poverty Reduction held in Shanghai in May 2004, the Government of China was actively preparing the establishment of the International Centre for Poverty Reduction, which would serve as a forum for information exchange and the enhancement of capacity-building.

The meeting rose at 6.15 p.m.

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Chairman : Mr. Balarezo ..... (Peru)

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04-60780 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 89: Eradication of poverty and other development issues *(continued)* (A/59/115, A/59/155-E/2004/96 and A/59/158)

(a) Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) *(continued)* (A/59/326 and A/59/326/Add.1)

(b) Women in development *(continued)* (A/59/287)

(c) Industrial development cooperation *(continued)* (A/59/138)

1. **Mr. Lolo** (Nigeria) said that his delegation aligned itself with the statement made in relation to the agenda item by Qatar on behalf of the Group of 77 and China. Microcredit and microfinance, although important to the reduction of poverty, empowerment of vulnerable groups, development of rural communities and promotion of gender equality, were not the ultimate solution in the area of financing for development. They worked best under optimal conditions and with a specific type of client, but were not sufficiently accessible to those most in need. The poor, who needed credit the most, lacked in many cases adequate collateral or information on credit possibilities. Ways should therefore be found to draw the poorest of the poor to the microcredit schemes and encourage them to use them.

2. Over-commercialization of microcredit should be avoided, and service to the poor should remain the overriding principle. While the lending standards and patterns of microcredit should be standardized, loans should be tailored to specific needs. That required cooperation between the public and private sector at the national and international level.

3. The private sector must play a more active role by leveraging government microfinance efforts, because it was in a better position to manage credit services. Microcredit and microfinance agencies should coordinate their action with the activities of government bodies and non-governmental organizations (NGOs), especially in relation to capacity building, loan disbursement and infrastructure development. The poorest strata of society would participate more in the economy, if the economic and social environment were right.

4. In 1986, Nigeria had established the People's Bank of Nigeria (PBN) with little - if any - private sector participation. In the 14 years of its existence, the bank had provided seed capital for many small-scale entrepreneurs to invest in general trading and other businesses and in agriculture and livestock. Although its activities had had a positive impact, the bank had suffered from institutional and managerial weaknesses, coupled with low repayment rates by borrowers who regarded loans as grants from their rightful share of the national cake. The Nigerian Government had launched a fund to empower rural women to take active part in economic activities. As part of the International Year of Microcredit activities, Nigeria intended to hold a conference on microcredit.

5. **Mr. Ngariama** (Kenya) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. In the developing countries, the major constraint to effective private sector participation was the lack of affordable financial services, because commercial banks charged high interest rates and required collateral that the poor could not put up. Yet many poor people were potential micro entrepreneurs who represented an unmet demand for financial services and could, if collateral-free and low-interest credit were available, provide the stimulus necessary for extensive wealth creation and poverty reduction. The challenge therefore consisted in finding ways to support those potential micro entrepreneurs for setting up small businesses and becoming integrated into the formal economy.

6. To address those issues, in 2003 the Government of Kenya had set up, in the Central Bank, microfinance units whose main objective was to streamline the operations of microfinance institutions and enhance small entrepreneurs' access to credit. Such measures were all the more necessary because the Kenyan financial sector was dominated by large international banks providing poor geographic coverage and expensive services. Parliament had enacted a law creating a regulatory and monitoring regime for microfinance institutions. They had an obligation to set up a deposit protection fund safeguarding their clients' deposits in the event of a financial crisis, and ensure

that minimum requirements for start-up capital financing were met.

7. The Government continued to take the measures necessary for developing the private sector, and, pursuant to the plan of action for the International Year of Microcredit 2005, had set up in the Ministry of Finance a committee responsible for raising awareness of microfinance and promoting microenterprises. In 2003, in order to assess the level of development of credit, that committee had organized throughout the country extensive consultations involving the private sector, non-governmental organizations (NGOs), civil society, the donor community and the government bodies concerned. One of the outcomes of those consultations had been the establishment of a microfinance unit that was currently setting up a one-stop-shop system for microfinance and credit approval.

8. Annual countrywide campaigns to promote microenterprise products had been held since the early 1990s in cooperation with the private sector. The campaigns had been successful, particularly in creating linkages between microenterprises and the other economic actors, but to fully integrate microenterprises into the national economy it was necessary to assist them to promote and market their own products, especially on the basis of market surveys.

9. The savings base of most microfinance institutions was too narrow and their interest income too low to enable them to fully meet the demand for loans among potential entrepreneurs. The necessary funds should therefore be provided from the government budget, but in many countries that option would conflict with the need for basic services such as health and education. Accordingly, Kenya called upon the development partners to seriously consider making microcredit programmes a priority for their official development assistance (ODA).

10. **Mr. Chowdhury** (Bangladesh), speaking on agenda item 89 (a), said that, when it had been launched, the First United Nations Decade for the Eradication of Poverty had been generally expected to prompt greater worldwide awareness of poverty's breadth and depth and spur the peoples and the Governments to provide poor countries with increased support for reducing poverty. Only two years before the end of the decade, however, that was yet to happen and 1.2 billion people were still languishing in extreme poverty. If the ODA level did not rise considerably more than it had in the post-Monterrey period, close to one billion people would still be living in extreme poverty in 2015.

11. That the world would observe the International Year of Microcredit 2005 was a source of major satisfaction for Bangladesh, because of its deep association with the microcredit concept. The world had realized that microcredit transcended the conventional limits associated with the factors of production and entailed profound societal transformations: it had proven effective not only in reducing poverty, but also in empowering women, improving health and living conditions and educating the poor.

12. During the International Year for Microcredit 2005, the United Nations should therefore raise awareness of the need to systematically use microcredit to break the vicious circle of poverty through partnerships between the United Nations, Member States, international financial institutions (IFIs), non-governmental organizations (NGOs) and the private sector. That would be a decisive step towards attaining the Millennium Development Goals (MDGs).

13. Bangladesh had drawn up a detailed programme for the observance of the Year, which Prime Minister Begum Khaleda Zia would launch on 1 January 2005. As a lead-up to the Year at the regional level, Bangladesh had hosted in February 2004 the Asia-Pacific Region Microcredit Summit Meeting of Councils, which had been attended by more than 1,200 delegates from 47 countries.

14. **Mr. Hannesson** (Iceland), speaking on agenda item 89 (b), said that international migration, if appropriately regulated and controlled, could contribute positively to development and economic growth. To reduce negative effects on the migrants, it was necessary to promote and protect their human rights. Since gender inequality could be both a cause and a consequence of international migration, gender equality was crucial inasmuch as it would help to reduce migration's negative impact.

15. Combating trafficking in human beings should be a priority for States, most of which were affected as countries of origin, transit or destination. There had been evidence of attempts to use Iceland as a country of transit and the national authorities had taken appropriate steps to foil such efforts.

16. Parliament had recently enacted a law amending the criminal code and making trafficking in human beings a crime. Efforts to raise public awareness of trafficking in women had included three conferences in two years on trafficking in persons. Iceland was actively involved in the international combat against trafficking by participating, through the Nordic Ministerial Council, in the Nordic-Baltic Task Force against Trafficking in Human Beings. Furthermore, combating human trafficking was a priority for Iceland in its collaboration with the Organization for Security and Cooperation in Europe (OSCE) and Iceland financed a female anti-trafficking officer within the OSCE Mission in Bosnia-Herzegovina.

17. **Mr. Bodini** (San Marino), referring to microcredit, said that it was a powerful development tool, because it helped to increase the number of small businesses, thereby stimulating a country's economy and contributing to the stability of the social structure. Microcredit could also be used effectively to build a fair and democratic economic environment for the poorest social strata. Each Government should therefore formulate a microcredit policy adapted to national needs and rules. To ensure compliance with international priorities, those policies should be periodically monitored by a small number of international bodies entitled to propose any necessary changes or amendments. Microcredit should be partly funded by private investors, who ought to be responsible for managing the microcredit business.

18. **Mr. Limon** (Suriname), speaking on behalf of the Caribbean Community (CARICOM), stated that all countries should do their utmost to achieve the Millennium Development Goals (MDGs), especially MDGs aimed at eradicating poverty and hunger. The developed countries in particular should fulfil their commitment to provide official development assistance (ODA) equivalent to 0.7 percent of their gross domestic product (GDP). CARICOM applauded the countries that had met their commitments and urged those that had not to honour their obligations.

19. The limited progress achieved in some parts of the world towards reducing poverty was insufficient to guarantee that the poverty eradication target expected to be met by 2015 would actually be attained. The Caribbean region was prone to natural disasters that compounded the vicious circle of poverty, because after each such major disaster the region's Small Island Developing States (SIDS) had to rebuild their economy from scratch. Growth rates in the region were too low to ensure development and poverty reduction, and the Caribbean countries needed assistance from the international community to complement their own resources.

20. Providing financial services for the poor and for low-income people could help to achieve the MDGs, especially those aimed at eradicating poverty. Microfinance should therefore be promoted as a development tool. CARICOM welcomed the International Year of Microcredit 2005 and advocated the promotion of partnerships to foster microcredit and microfinance and enhance their accessibility to poor people.

21. The eradication of poverty among women, which, according to the Fourth World Conference on Women, was an integral part of any effective poverty-reduction strategy, would make it possible to protect many women from various forms of exploitation and criminal abuse, such as human trafficking and smuggling. A number of CARICOM member States were often targeted as transit countries for such trafficking and CARICOM cooperated with other Greater Caribbean countries and the international community against the crime syndicates behind those activities.

22. Successful industrialization could help poor countries to generate much needed employment. Industrial development could therefore play a crucial role in raising a country's growth rate and alleviating poverty. Developing countries, however, could not achieve such development without the benefit of technology transfer.

23. The World Leaders' Meeting on Action Against Hunger and Poverty, held in New York in late September 2004, had underscored the urgent need to act against hunger and poverty in the world. All Caribbean countries were faced with poverty-related ills, and poverty was considered to be the cause of many other social and economic problems. It was generally characterized by wide income and quality-of-life disparities and high unemployment. Since education was essential to poverty reduction, the region endeavoured to improve its educational standards and facilities. To reduce poverty and crime, it also envisaged promoting various forms of cultural expression and launching initiatives on empowering the poor by enabling them to design and conduct productive and motivational activities.

24. Although development and security were interdependent, the United Nations development agenda did not sufficiently address war- and security-related issues. They should be brought into greater prominence.

25. **Mr. Yean Yoke Heng** (Malaysia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He referred to the high-level meetings to be held in 2005 in order to review progress in achieving the Millennium Development Goals (MDGs) and in fulfilling the commitments made at the major international conferences and Summits, particularly the solemn proclamation to reduce poverty across the board by half by the year 2015.

26. In September 2005, the international community would have traversed one third of the path to the target year of 2015 and had reasons not to feel too optimistic about achieving the goals that had been set. Many developing countries, especially among the Least Developed Countries (LDCs), were extremely hard-pressed to meet those targets. The main obstacle to the implementation of the various poverty reduction programmes and projects was lack of financial resources and essential capacities.

27. Malaysia believed that poverty eradication required a multidimensional approach at the national, regional and international level. International aid and assistance were a core requirement. According to widely acknowledged estimates, meeting the goals set in the Millennium Declaration required US$150 billion per year. I was necessary to focus on raising additional resources, including through new and innovative financing methods. Malaysia appreciated the recognition of the need to provide official development assistance (ODA) equivalent to 0.7 percent of gross domestic product (GDP), commended the countries that had increased their contributions, urged the other donor countries to make efforts to fulfil their commitment, and attached great importance to the follow-up to the International Conference on Financing for Development and to the full implementation of the Monterrey Consensus.

28. In order to achieve sustainable social and economic development, many developing countries were working closely with the United Nations system and the development partners to introduce necessary reforms and changes - aimed inter alia at greater transparency and better governance - in their policies and national development priorities. The international community should at the same time ensure that good governance prevailed also at the international level to provide a dynamic international economic environment that would facilitate the integration of developing countries into the world economy and allow them to share the benefits of globalization.

29. Malaysia believed that the developing countries should persevere with - and maintain ownership of - efforts to make the adjustments necessary for creating a domestic environment conducive to sustainable development. Applauding the initiatives of the New Partnership for Africa's Development (NEPAD), it urged the international community, and in particular its partners, to continue to provide necessary support to NEPAD and to the various programmes of action for sustainable development in the Least Developed Countries (LDCs), the Landlocked and Transit Developing Countries (LLDCs) and the Small Island Developing States (SIDS). Successful implementation of such programmes would help to rid those countries and their population of the scourge of poverty.

30. Malaysia welcomed the decision taken by the International Monetary Fund (IMF) in October 2004 to enhance the support that the Fund provided to low income countries, especially LDCs, mainly located in sub-Saharan Africa, and hoped that the ensuing IMF policy changes that would follow would address those countries' special needs.

31. The unsustainable debt-servicing burden on heavily indebted developing countries and the unfulfilled ODA commitments of donor countries were issues that needed to be seriously addressed. Debt servicing had been one of the major obstacles to progress in developing countries and, if their efforts were to be effective, there was an urgent need for policy consistency on that issue. Debt write-off and other measures taken by some donor countries in connection with bilateral debt were welcome, but Malaysia felt that more such initiatives should be undertaken in the area of multilateral debt.

32. Malaysia welcomed the fact that the International Year of Microcredit 2005 declared by the General Assembly had been well received in the Member States and by non-State actors, including the international financial institutions (IFIs). The positive impact of microcredit on poverty reduction had been well

documented. The various measures taken by Malaysia to enhance the access of poor people to local microcredit facilities had contributed significantly to progress on the country's poverty eradication programme.

33. The speaker outlined Malaysia's poverty reduction experience. In 1957, when independence was achieved, almost 70 percent of the population had been living below the poverty line. Poverty eradication had been declared a basic national development objective. As a result of Malaysia's integrated approach to poverty reduction through policies adapted, if necessary, to the country's particular economic and social characteristics, the incidence of poverty declined from 70 percent in 1960 to 52.4 percent in 1970 and to 5.1 percent in 2002. The Third Outline Perspective Plan for the period 2001-2010 targeted a reduction of the incidence of hard-core poverty to zero by 2009. Specific programmes had focused on such groups as farmers, low-income households and single mothers. Malaysia had been offered assistance, guidance and cooperation by a number of United Nations agencies including the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO), the United Nations Population Fund (UNFPA) and the Bretton Woods Institutions (BWIs).

34. **Mr. Hachani** (Tunisia) said that his delegation aligned itself fully with the statement made by Qatar on behalf of the Group of 77 and China. He recalled that, in the general debate of the General Assembly, the Heads of State and Government had inter alia underscored the need to rebalance the political and economic world order and to refocus current and future endeavours on the human dimension, identifying a number of challenges - particularly poverty - that stood in the way of development, security and stability.

35. There was currently a clear global consensus over the challenge of eliminating poverty, and the international public opinion was increasingly rallying to that cause, but that awareness ought to translate into appropriate forms of action and the commitments that had been made ought to be followed by specific acts.

36. Poverty was not a fatality but resulted from a multi-tiered economic development and was the main symptom of a world order rife with disparities and contradictions. Poverty reduction was a challenge facing the international community as a whole, and consequently poverty could be combated only through a global partnership based on shared responsibility, cooperation and solidarity.

37. Accordingly, poverty related problems should be viewed in a global context and addressed through an integrated approach to development, involving all stakeholders. Without genuine political resolve and an international environment conducive to development, poverty reduction would be very limited and fragmentary, while many developing countries would be unable to improve their social and economic condition, let alone attain the Millennium Development Goals (MDGs).

38. The international community could promote poverty reduction by placing development at the centre of the multilateral trade negotiations of the World Trade Organization (WTO): implementation of the Doha Development Agenda would progressively balance international trade and provide new ways of fostering development in the area of commercial exchanges. The international community should also agree on a concerted and structured international approach to reducing the developing countries' external debt, which constituted a major obstacle to the development process. Negative transfers of financial resources were detrimental to economic growth and consequently aggravated poverty. Moreover, developed countries should honour their commitment to provide official development assistance (ODA) equivalent to 0.7 percent of their gross domestic product (GDP), thereby contributing to poverty reduction and the attainment of the MDGs. Furthermore, given the impact of demographic factors on development, the international community should ensure that adequate funding was available for carrying out the International Conference on Population and Development (ICPD) Programme of Action, an imbalanced implementation of which would further aggravate existing disparities between regions.

39. In view of the need to tap new funding sources and identify novel mechanisms for action, Tunisia welcomed the creation of the World Solidarity Fund by the General Assembly and hoped that the General Assembly would take steps to make it operational and that it be would be used for the purposes of the Millennium Project. The General Assembly should establish a system of coordination between the old and the new poverty-reduction mechanisms.

40. The reference framework for implementing the MDGs consisted of the Monterrey Consensus, reached at the International Conference on Financing and Development, and the Plan of Implementation of the World Summit on Sustainable Development. Tunisia awaited with interest the conclusions and recommendations that the Secretary-General would formulate on the basis of the report to be submitted by the experts participating in the Millennium Project.

41. Convinced that promoting a culture of solidarity and the spirit of sharing was part of combating poverty, the Group of 77 and China proposed that 20 December should be designated the International Day of Human Solidarity.

42. **Ms. Camacaro** (Venezuela) said that her delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The Venezuelan Government pursued a poverty reduction policy which, launched in 1999, had lent reality to the Bolivarian dream of empowering the poor. The policy was based on the principle that the people should participate politically in exercising control over the State with a view to building a society thoroughly respectful of civic rights.

43. In view of the observance of the International Year of Microcredit 2005, the Venezuelan Government had taken legislative and financial steps to promote microcredit throughout the country. A law on microfinance was enacted in 2001 and Venezuela's economic and social development plan contained measures related to microcredit. The microfinance programmes designed by the Government aimed at the development of the cotton, textile and garment industries and the promotion of small and medium-sized businesses and manufacturing units, and included a programme entitled "Set up your own business", a North-South agricultural seed capital project for the period 2003-2004, and schemes for financing cooperatives and microenterprises on preferential terms of credit. The Government had encouraged the establishment of cooperatives through microcredit, thereby enabling marginally viable activities to participate in the country's economic development, particularly in agriculture, a sector with had substantial gaps in Venezuela.

44. In connection with the International Year of Microcredit 2005, Venezuela would release a publication on microcredit, increase the amount of microcredits available to vulnerable groups, including the indigenous communities, and organize awareness raising activities. The Industrial Bank of Venezuela (BIV) would invest about US$65 million in such initiatives.

45. All of those programmes were part of the Government's strategy towards enhancing poor people's access to economic resources, credit and other types of assistance useful in setting up small and medium-sized enterprises (SMEs).

46. The Venezuelan Government intended to fulfil the commitments that it had made at major United Nations conferences and summits, particularly the pledges given in the Millennium Declaration. Setting poverty eradication as its main target, it had formulated a comprehensive strategy addressing the economic, social, institutional and organizational sectors.

47. In the social sector, the Government had launched national literacy programmes under which the number of school buildings had increased from 559 in 1999 to 2,896 in 2004, the number of secondary education graduates had risen and the dropout rate in primary and secondary education had receded. Universities and technology-oriented educational facilities had been set up and scholarships had been extended to disadvantaged students.

48. In the area of health, the Government had launched initiatives in the areas of anti-drug fight, assistance to older persons, medical facility funding and modernization, purchase of medication and aid to the country's most disadvantaged groups. As a result of comprehensive action in respect of medical services, the infant mortality rate had decreased.

49. Through the ministry responsible for housing and infrastructure, the Government addressed problems in that area throughout the country by increasing the funds allocated to housing and implementing a housing construction programme in cooperation with local authorities.

50. Venezuela strove to strengthen South-South cooperation. To that end, it had contributed US$1 million to the Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries.

51. Convinced that national efforts alone did not suffice for attaining the Millennium Development Objectives (MDGs), Venezuela supported

strengthening the United Nations system, revitalizing South-South cooperation and urgently reforming the multilateral financial and trading system - pursuant to a number of resolutions and decisions adopted by the Member States - in a new spirit of international cooperation.

52. **Mr. Dembélé** (Mali) said that his delegation aligned itself fully with the statement made by Qatar on behalf of the Group of 77 and China. Convinced that any achievement in the area of sustainable development required an internal effort in the first place, the Government of Mali had made poverty reduction a top priority in its action since 1997. It had adopted a Poverty Reduction Strategy Framework (PRSF) setting out development guidelines and clarifying the development policies and strategies.

53. In order to ensure strong and sustainable growth as a means of reducing poverty, the national short- and medium-term strategy comprised three mutually complementary priority areas or pillars, institution building, improved governance and enhanced participation, human development and broader access to basic social services, and infrastructure development and productive sector support. The 2002-2006 PRSF included a 2002-2004 priority action plan aimed at reducing the incidence of poverty from 63.8 percent to 47.5 percent by 2005.

54. Faithful to its long tradition of solidarity and sharing, Mali had instituted ten years earlier the "month of solidarity and combating exclusion", observed in October. In 2004, that event had focused on "the daily practice of solidarity" and had comprised four theme weeks on "older persons", "therapeutic issues", "the disabled" and "social and economic solidarity".

55. The Malian Government had set up a National Solidarity Fund and the Malian Bank of Solidarity. The fund should attenuate disparities by providing decent living conditions, especially for the indigent, including meeting such basic needs as access to healthy and adequate food, drinking water, basic health care, education and acceptable housing. The bank extended loans on more favourable terms than commercial banks and participated in refinancing decentralized credit operations.

56. Based on the relevance of microfinance to poverty reduction and on the Millennium Development Goals (MDGs) and the New Partnership for Africa's Development (NEPAD), the Malian Government had formulated and adopted a national strategy including an action plan for the development of microfinance. Under that plan a key role for the period 1998-2002 was ascribed to microfinance institutions in stimulating income- and employment-generating activities and in enhancing the access of the poorest rural and urban population groups to minimum financial services. In that period, about 800,000 persons had directly or indirectly borrowed funds from microcredit institutions, the number of access outlets had increased by 39 percent, and the number of counters had increased from 151 to 706.

57. Cooperatives, non-profit health insurance companies and village associations also contributed to poverty reduction by offering their participants credit facilities or appropriate services.

58. The participants in the high-level debate of the 2004 Economic and Social Council (ECOSOC) substantive session had considered microcredit an effective means for mobilizing external and internal resources capable of contributing effectively to poverty reduction. By declaring 2005 the International Year of Microcredit 2005, the General Assembly was putting across a strong message. Countries with microcredit institutions could profitably use that period to further improve the services that their credit system provided to the population.

59. Mali launched an appeal for strengthening the partnership entered into by the wealthy and the poor countries in order the combat poverty with a view to attaining the MDGs.

60. **Ms. White-Thoppil** (Canada), speaking on the issue of women and development, stated that the international community was deepening its understanding of the linkages between gender equality and social and economic progress. It had been recognized that ignoring gender disparities affected people's well-being and ability to contribute to their communities, and a country's capacity for sustainable growth, governance and poverty reduction. Canada considered gender equality to be a goal in itself, as well as fundamental to the achievement of Canadian and international development objectives such as the Millennium Development Goals (MDGs) and the Beijing Platform for Action.

61. Canada was a staunch supporter of the MDGs and believed that they provided a common framework

within which the international community could collaborate with other donors to reduce global poverty. Canada supported the Millennium Declaration's emphasis on the importance of promoting gender equality and empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate truly sustainable development. It was increasingly understood in the international arena that the issue of gender equality could not be limited to a single development goal: without progress towards gender equality and empowerment of women, none of the MDGs would be achieved.

62. Understanding the importance of gender equality to sustainable and appropriate development efforts, Canada's foreign policy statement identified it as one of six programming priorities for overseas development assistance. The crucial role that gender equality played in sustainable development was also reflected in the gender equality policy of the Canadian International Development Agency (CIDA), which promoted three key goals: furthering women's equal participation with men as decision-makers in shaping the sustainable development of their societies; supporting women and girls in the realization of their full human rights; and reducing gender inequalities in the access to and control over the resources and benefits of development.

63. Over the preceding 25 years, Canada had worked internally and with partners, other donors, and international institutions, to promote global dialogue on gender equality and to ensure that gender equality issues were addressed in all of its international development policies, programmes and projects. Increasingly, it had focused its efforts on ensuring that women and girls participated on equal terms with men and boys in the social, cultural, political and economic decisions that affected their lives.

64. Canada supported the integration of a gender perspective throughout the Triennial comprehensive policy review of operational activities for development of the United Nations system, welcomed the World Survey on the Role of Women in Development and looked forward to the special session of the General Assembly entitled "Women 2000: gender equality, development and peace for the twenty-first century" in 2005 in order to re-commit to the Beijing Declaration and Platform for Action.

65. **Mr. Tekle** (Eritrea) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He recalled that in the June 2003 Practice Note on Poverty Reduction and Human Rights, UNDP had stated that poverty was "a denial of human rights" and that "the principles of equality and non-discrimination addressed one of the root causes of poverty". It was for that reason that the challenge - posed in the Millennium Declaration - of liberating half of the world's poor from their misery by 2015 was timely and appropriate.

66. The eradication of poverty had been recognized as the key to the successful exercise of the right to development. About one third of the world's population lived in abject poverty and one fourth of the poor suffered from easily preventable diseases, not to speak of the devastating effects of HIV/AIDS. In an age of unprecedented global prosperity, those facts constituted an unacceptable human tragedy.

67. The rights-based approach was widely supported by the international community, particularly through the Millennium Declaration and the outcome texts of subsequent international conferences, which had become the basis for specific mandates received by the United Nations, the Bretton Woods Institutions (BWIs) and other international development agencies.

68. The operationalization of the right to development should be people-centred. Intergovernmental organizations (IGOs) and non-governmental organizations (NGOs) should focus on the achievement of human security, broadly defined. The empowerment and participation of the people, especially at grassroots level, were crucial to any effective development effort.

69. In the struggle to reduce and eventually eliminate poverty, appropriate consideration should be given to the creation of an enabling international environment ensuring equal development opportunities. Globalization, the debt burden and the current trade arrangements - particularly on agricultural products - which had been reached under the auspices of the World Trade Organization (WTO) had considerably aggravated poverty and hunger. By restructuring the agricultural trade agreements, arranging for debt relief and increasing development assistance, the wealthy countries could assist the national governments and the international institutions concerned in establishing a system ensuring food security.

70. On the other hand, it was only fair and honest to recognize, by and large, the wealthy countries bore

only a moral responsibility based on enlightened self-interest and that they had assumed that responsibility willingly and sincerely. It was also for their own good that the poor countries in the developing world must take ownership and control over their destinies. The primary political and moral duty of any responsible Government was to feed the country's population. Shifting the burden of calamities or other problems besetting its people onto others was not only immoral, unfair and irresponsible, but also imprudent, because it could establish a culture of dependency. Suggesting that donor countries should be blamed for famine brought about by the Government of the country affected was sheer folly, especially if that Government had been spending billions of dollars on armaments.

71. Good governance was a sine qua non for development. It was often assumed that poverty, hunger and famine were caused by natural disasters, environmental degradation and the inadequacy of agriculture as a source of livelihood. That was correct, but they also resulted from government decisions on the nature and organization of the State, the system of government, the political, economic and social policies and the priorities set in connection with the distribution of land and other resources, services and infrastructure. State policies could aggravate or alleviate poverty, hunger and famine. When in a State the Government deliberately exposed major sections of its population to the ravages of hunger and famine, and blamed the calamity on the international community, the viability of that State was at stake.

72. One the worst follies of decision-makers was the decision to engage their countries in a conflict. The economic and social burdens of war and its cumulative effect on States were evident: unlike investment in education, health services and infrastructure, military expenditures did not produce wealth. If it was true that hunger exacerbated social unrest and lead to conflict, it was also true that conflict produced poverty and hunger or aggravated them.

73. **Mr. Chem** (Cambodia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. To strengthen political stability and social order, the new Government of Cambodia was implementing a "rectangular strategy" for development, focusing on good governance to reduce abuse and to ensure that the views of minorities and the most vulnerable sections of the population were fully heard and taken into consideration in the decision making process.

74. The Cambodian Government had also launched an action plan to combat corruption, carry out a legal and judicial reform; reform public administration through decentralization and devolution, and streamline the armed forces, mainly through demobilization.

75. Although its incidence had somewhat declined, poverty was still an economic and social problem. In Cambodia, poverty tended to be predominantly rural, associated with landlessness or small farm size, limited diversification of economic activities, large household size, little formal education and impossibility to keep abreast of the rapid evolution of the world economy. Increasing agricultural production and employment was a key to effective poverty reduction. Moreover, rural smallholders should diversify their economic activities and have access to microcredit. At the same time, the country should maintain macroeconomic stability while promoting sustainable and equitable economic growth despite a number of challenges related to public finance, including heavy dependency on official development assistance (ODA), a narrow tax base and weak expenditure management.

76. Accordingly, the Cambodian Government had set the following national poverty reduction strategy objectives: strengthening peace, stability and social order by implementing specific measures aimed at enhancing the rule of law and promoting respect for human rights and democracy in order to create an environment of political security conducive to long-run sustainable development; ensuring strong and sustainable economic growth; ensuring that the benefits from economic growth were distributed equitably between the rich and the poor, urban and rural areas, and men and women; and promoting a sustainable environmental management and use of natural resources.

77. Eager to establish gender equality and improve the status of Cambodian women, the Government had formulated a strategic plan aimed at enhancing their role and social status, building their capacities in all sectors, changing social attitudes and ensuring that women participated in nation building actively and on equal terms with men.

78. To encourage the development of small and medium-sized enterprises (SMEs), the Government

provided medium- and long-term loans, strove to eliminate smuggling, streamlined company registration and start up procedures, provided support to new industrial units for a certain period, promoting linkages between SMEs and large enterprises, and strengthened the legal framework with new laws on factories, industrial zones, patents and inventions, and industrial safety.

79. Poor and developing countries faced serious challenges, such as reduced ODA, the huge burden of external debt, the need to protect the environment, and diseases such as HIV/AIDS and SARS. Alone, they were unable to cope with poverty, which bred violence and terrorism. They needed international assistance in the form of transfer of resources and know-how in order to catch up with accelerating globalization and to bridge the digital divide among peoples and nations.

80. **Mr. U Aung Lynn** (Myanmar) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Despite notable progress in science and technology, the attainment of the Millennium Development Goals (MDGs) by 2015 was improbable in view of the overwhelming gap between the haves and have-nots and the digital divide. Myanmar looked forward to the day when innovative financing mechanisms, based on the initiative taken jointly by Brazil, France, Chile and Spain, could be developed to assist in poverty reduction.

81. Poverty eradication was a priority in Myanmar's development strategy. As its economy was largely based on agriculture, the Government had placed the emphasis on the increase and diversification of agricultural production. To that end, it had built an extensive network of dams and reservoirs end encouraged farm mechanization and large-scale farming, thereby ensuring greater food security, promoting commodity exports and alleviating poverty.

82. Industrial development remained relevant to Myanmar's development strategy. The establishment of industrial zones throughout the country had created employment opportunities, promoted the viability of private enterprises, helped to improve the standard of living and narrowed the development gap between regions. Moreover, the Government endeavoured to consolidate the rural water supply and transportation systems and to integrate border and marginalized areas into the mainstream of the economy.

83. Microfinance was not new to Myanmar, where it had been practiced for some time and provided farmers with small-scale credit to purchase agricultural inputs. To improve the living conditions of the poor, including the vulnerable and disadvantaged groups, a microfinance project, consisting in granting them small loans to set up microenterprises, had been recently launched and the records showed that most of the borrowers were women.

84. Myanmar contributed to poverty reduction at the regional level by participating in the ASEAN Plan of Action on Rural Development and Poverty Eradication, the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMCCS) and the Bay of Bengal Initiative for Multi-Sectoral Technical Cooperation (BIMSTEC).

85. **Mr. Sandoval** (Colombia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He stated that, in view of the insufficient and ineffective public expenditures, external debt burden, inaccessibility of the markets of industrialized countries and reduced official development assistance (ODA), the developing countries could hardly hope to attain the Millennium Development Goals (MDGs). To reduce poverty, the authorities should provide good governance, stem corruption, strengthen the rule of law, ensure a more equitable distribution of income, widen the social security cover, promote the participation of the population and stimulate productivity.

86. In that unequal struggle, the developing countries needed backing in the form of a global partnership. That presupposed eliminating trade barriers, opening the markets of industrialized countries to developing country products, waiving the debt, restructuring the international financial system and creating a global economic situation conducive to development and poverty reduction.

87. In view of the problems faced by developing countries, the World Bank (WB) and the International Monetary Fund (IMF) should opt for more supple policies to enable them to invest in social services and infrastructure and to meet their basic needs.

88. Medium income countries derived few specific benefits from globalization and, not being entitled to international assistance, found it hard to make poverty recede.

89. The reduction in official development assistance (ODA) compelled many countries to postpone or cancel their social programmes, thereby damaging the most vulnerable groups' prospects of escaping from poverty.

90. Basing economic and social recovery efforts on poverty reduction, the Colombian Government endeavoured to broaden access to education, to support women heads of household, reduce unemployment and widen the social security cover.

91. A microcredit programme had been launched in the urban and rural regions, particularly in areas where displaced persons resettled. Despite heavy expenditures incurred in connection with demobilization, reintegration, reconstruction of infrastructure destroyed by terrorist attacks and creation of mechanisms to combat terrorism, Colombia had managed to achieve progress in the social sector, attract investments, generate employment and extend social security benefits to more people.

92. **Mr. Subedi** (Nepal) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Poverty had become destiny in many parts of the world, especially in the least developed countries (LDCs) and the landlocked developing countries (LLDCs). It was adversely affecting human development, equality, justice and human dignity, causing hunger, malnutrition, disease, lack of education and unemployment, which were compounded by natural disasters and internal conflicts.

93. Many of the developing countries, including Nepal, could not tackle the problems of poverty and development head-on. Nepal strongly advocated a rule-based, open, equitable and non-discriminatory multilateral trading system that would ensure a free and fair flow of all LDC products to the global markets.

94. Nepal fully supported the UNIDO strategy described as "productivity enhancement for social advance", because economic recovery and industrial development were essential for alleviating poverty. In respect of microcredit and microfinance, despite some progress in that area, the poorest of the poor and women had not been the beneficiaries of such facilities.

95. Although women had an important role to play in development, gender disparities persisted in the labour market. Access to both formal and extracurricular education was crucial to women's empowerment.

96. Nepal welcomed Brazil's initiative against hunger and poverty and the extension of the Heavily Indebted Poor Countries (HIPC) Initiative. The developed countries and the international financial institutions (IFIs) should fulfil their commitment in respect of assistance, international trade and external debt.

97. Nepal was going through a difficult phase. The insurgency had a devastating effect on the development infrastructure in the hilly and remote areas of the country and aggravated its economic problems. In order to reduce poverty, the Nepalese Government promoted gender equality and the empowerment of vulnerable groups, while striving to achieve economic recovery and sustainable development.

98. **Ms. Lai Wei Lin** (Singapore) said that her delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The empowerment of women - who formed half of the population - and their full participation in the development effort were crucial prerequisites to reducing poverty and achieving sustainable development. Singapore had long advocated a policy of equal opportunities for both men and women, based on the principle of meritocracy, and as a result the status of Singaporean women had improved significantly, especially in respect of education and employment.

99. With no natural resources, Singapore was dependent on its human potential. Accordingly, the literacy rate for resident females had been raised, women were getting a better education and primary education had become compulsory in 2003. Over the years, ever more Singaporean women had been entering the workforce, making inroads into traditionally male dominated sectors, such as information technology (IT) and engineering, rising to key decision-making positions and participating in politics.

100. To help women balance career requirements with family needs, the Singapore Government had implemented such specific measures as extending maternity leave and tax reductions for parents and child benefits. Female civil servants could avail themselves of schemes such as part-time employment for up to three years or tele-working, and were entitled to three days of paid marriage leave. Long-standing prejudices and traditional views on the role of women still

existed, but, as new women's role models emerged, social attitudes were changing.

101. **Mr. Kogda** (Burkina Faso) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China and praised the quality of the reports prepared by the Secretariat for consideration by the Committee.

102. Poverty was a multilayered concept requiring a multidimensional approach. Its monetary dimension, defined in terms of income, was readily quantifiable. Aspects of poverty other than inadequate income, such as lack of access to productive resources or to some social services - social exclusion - had been identified at the World Summit for Social Development and required a qualitative perception of poverty.

103. Poverty's multiple facets implied that it was not only an economic and social issue, but also amounted to a human rights violation. In fact, poverty and more generally inequality undermined social stability and threatened basic freedoms. Conversely, eliminating all forms of discrimination and exclusion was a decisive step towards eradicating the deeper causes of poverty.

104. In Burkina Faso, poverty reduction efforts focused on the rural population, which accounted for more than 92 percent of the poor. Support for the diversification of income sources, such as agriculture and livestock breeding, was crucial. Related initiatives aimed at reducing disparities in accessing physical assets, such as land, equipment and financial resources, and human assets, such as education, health care and food. As a result of a number of improvements, some more noticeable than others, poverty had remained stable overall and had slightly receded in the rural areas, although that reduction had been offset by an upsurge of - especially monetary - poverty in the urban areas. Corrective structural reforms undertaken by the Burkina Faso authorities included putting in place appropriate financing instruments which, although hardly sufficient to fully meet the needs of the targeted population groups, had nevertheless allowed, inter alia, to fund some projects, promote small and medium-sized enterprises (SMEs) and generate employment. The authorities planned to step up their efforts in that area by participating actively in the observance of the International Year of Microcredit 2005.

105. At the regional level, African leaders had reaffirmed their resolve to play a pivotal role in the formulation of economic and social policies. At the African Union Extraordinary Summit on Employment and Poverty Alleviation, held in Ouagadougou on 8 and 9 September 2004, they had noted that macroeconomic stability and sustainable growth were necessary but insufficient conditions for poverty reduction, and had agreed to focus the economic and social policies implemented throughout the continent on employment. To attain the goals that had been set, prioritizing its economic options with a view to improving the living conditions of the population, Africa needed assistance from the international community. It was therefore necessary to support mechanisms such as the World Solidarity Fund, which should be provided with adequate resources to assist the countries grievously afflicted with poverty.

106. In view of the high-level meetings to be held in September 2005 in order to review progress in achieving the Millennium Development Goals (MDGs), Burkina Faso launched an appeal to the international community for engaging in specific discussions and appropriate activities by that date.

107. **Mr. Gass** (Switzerland), speaking on agenda item 89 (b), welcomed the fact that the Secretary-General's report on that item focused on women and international migration, noting with satisfaction that the issue of international migration was no longer perceived as gender neutral. He also recalled that at the fifty-eighth session of the General Assembly, 18 women Ministers of Foreign Affairs, having held a meeting on the question of "Women and Migration", had addressed a letter to the Secretary-General requesting him to further promote gender sensitive debate on migration and trafficking and to take appropriate steps to address specific aspects of women's migration in general and trafficking in women in particular. The Secretary-General's report outlined the determining factors underlying women's migration and the positive and negative effects of those factors. Despite growing awareness of migration's gender specific aspects and the difficulties confronting migrant women, effective solutions to those problems were still lacking.

108. Paragraph 23 of the report referred to the various international legal instruments on migrant women. Accession to and ratification of those conventions was important, and there was still a great deal that should be done to ensure their implementation. In the countries of destination, experience had revealed some discrepancies between national legislation and human rights. For instance, when a female migrant's residence

permit depended on her husband's status, in cases of domestic violence she could not leave her husband without loosing the permit and consequently had to choose between staying with her husband, and bearing the violence, or residing in the country illegally. The same dilemma faced many domestic workers whose work permit totally depended on their employer's goodwill. Switzerland therefore welcomed the recommendations - at the end of the report - which stressed the need to align national legislation with international obligations.

109. There was increasing awareness of the potential role of migrant women's remittances in reducing poverty. Since migrant women usually held low-paid jobs and to enhance the impact of the remittances, transaction costs should be reduced. Furthermore, the rights of migrant women in the workplace should be protected and compliance of their terms of employment with International Labour Organization (ILO) standards - such as minimum wages - should be ensured.

110. Migrant women's physical and moral integrity or even life were in jeopardy, especially in circumstances of irregular migration. They could fall prey to trafficking, sexual exploitation or social slavery. Considering trafficking in women and children as a major manifestation of inequality, Switzerland ascribed cardinal importance to combating that phenomenon effectively. Switzerland was seriously concerned over the increasing number of women and children trafficked for sexual, domestic or labour exploitation.

111. Lastly, the Swiss delegation welcomed the recommendation - in paragraph 89 (d) of the report - which stressed the importance of sex-disaggregated data for understanding the causes and processes of migration. Accordingly, Switzerland encouraged a more systematic national data collection and supported initiatives aimed at improved data processing for the purpose of formulating and implementing gender sensitive strategies that promoted migration policies based on women's rights.

112. **Mr. Atiyanto** (Indonesia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Indonesia was fully convinced of the importance of fulfilling the commitments and achieving the goals contained in the Millennium Declaration, particularly those related to the eradication of poverty, and called for the full implementation of the Monterrey Consensus and the Johannesburg Plan of Implementation. It was therefore important that the international community should take all necessary steps to comprehensively solve the external debt problem and to enhance the developing countries' access to markets. Furthermore, the effective participation of those countries in international decision-making processes and a universal, rule-based, open, non-discriminatory and equitable multilateral trading system coupled with meaningful trade liberalization could stimulate development.

113. As part of that thrust, Indonesia placed efforts to promote microcredit high on its national agenda, based on growing evidence that microcredit and microfinance had a vital role to play globally in the context of achieving the Millennium Development Goals (MDGs), especially in relation to poverty reduction.

114. First and foremost, an enabling environment should be provided, empowering the poor and enabling them to fully utilize their productive potential. Governments in developing countries lacked the institutional capacity to provide proper guidance and supervision on microcredit and microfinance. For full benefits to be gained, the poor should be fully informed about that type of financial facility. Governments should be encouraged to adopt policies that supported access to microcredit, the development of microfinance institutions and related capacity building. It was also important that microfinance institutions, while trying to ensure their own financial viability and profitability, should always take into account the needs of the poor in terms of strengthening and improving the economic and social fabric of poor communities.

115. The observance of the International Year of Microcredit 2005 offered a good opportunity to raise awareness of the importance of microcredit and microfinance in the eradication of poverty, to share good practices and to promote initiatives that supported sustainable pro-poor financial services in developing countries. The International Year of Microcredit 2005 should be viewed as part of a continuing process to formulate effective approaches for sustainable microfinance development and not as an isolated event. A systematic follow-up at all levels to the Year would help to keep up the momentum gained. As part of the observance, the international community should provide greater support for national microcredit and microfinance capacity building in view of the tangible excess of demand over supply in that area. Indonesia

would actively participate in the observance of the International Year of Microcredit 2005. In that connection, the representative of the Indonesia People's Bank (BRI) would share his institution's experience in developing microcredit and outline BRI's success in that area.

116. **Mr. Zoubi** (Jordan) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China, and recognized in particular the crucial role that microcredit and microfinance could play in the eradication of poverty, promotion of gender equality, empowerment of vulnerable groups and development of rural communities. In that regard, the speaker wished to highlight two related events that had taken place in Jordan in 2004. The first event was the signing in May of an agreement between the Government of Jordan and the Arab Gulf Programme for United Nations Development Organizations (AGFUND) concerning the establishment the National Bank for Financing Small and Medium Projects. The bank's policies would be based on the principle that the poor needed no charity but a tool that would enable them to help themselves, and give priority to women borrowers, as their success would have a ripple effect on their families and hence on society as a whole.

117. The second event had occurred on 10 October, when the city of Amman had hosted the 2004 Middle East / Africa Region Microcredit Summit Meeting of Councils. An initiative to set up an Arab-African Microcredit Fund had been launching on that occasion. The Summit had called upon the Arab League to include poverty alleviation in the agenda of upcoming Arab summits as a priority item, and upon banks catering to medium and small businesses to finance sustainable projects rather than to fund one-time giveaways.

118. The Queen of Jordan had been invited to serve as a Global Emissary for the International Year of Microcredit 2005 with a view to raising awareness of the importance of microfinance for poverty eradication and mobilizing broad support for the goals of the Year. In her statement at the Summit, the Queen had affirmed that microfinance enabled individuals to enhance their lives and that it was not a reward or privilege, but a right that should be enjoyed by all members of society.

119. **Mr. Mnisi** (Swaziland) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The Government of Swaziland shared the view of the international community that eradicating extreme poverty was a top priority. That goal comprised a number of important elements, none of which could be overlooked, if the Millennium Development Goals (MDGs) were to be achieved. In addition to poverty reduction, the Swazi Government also attached great importance to the eradication of HIV/AIDS and the creation of employment.

120. Towards achieving the target aimed for, which consisted in reducing by half the proportion of people living in extreme poverty by 2015, the Swazi Government supported initiatives and activities carried out by United Nations specialized agencies and involving the preparation and implementation of various projects in Swaziland and other landlocked countries (LLDCs) and least developed countries (LDCs) for the development of, inter alia, small and medium-sized enterprises (SMEs) and agricultural units. The speaker stressed the effectiveness of the ongoing coordination between the Swazi Government, non-governmental organizations (NGOs), civil society together and all United Nations agencies currently working towards development and poverty reduction in Swaziland.

121. In 2002, the Government had addressed the issue of poverty in an interim Poverty Reduction Strategy Paper (PRSP) focusing on poverty, HIV/AIDS, unemployment and social welfare. That document was currently being comprehensively revised to reflect the country's strategies on all aspects of poverty. In that context, the Government realized the necessity for a policy shift towards pro-poor spending.

122. In December 2003, the United Nations Country Team and the Swazi Government had jointly produced the first progress report on the attainment of the MDGs. The report had identified challenges and opportunities associated with each goal and provided a basis for assessing the progress achieved. To monitor that progress and the effectiveness of poverty reduction strategies, a Poverty Reduction Unit had been set up in the Ministry of Economic Planning and Development. The Government was currently tackling the issue of resources available for programmes aimed at providing sustainable and equitable solutions to the problem of poverty.

123. The Government had formulated a National Development Strategy (NDS) focused on poverty reduction. The NDS formed the basis for the Government's economic and social reform agenda. It was a short-term action programme with measurable targets, aimed mainly at accelerating economic growth.

124. Furthermore, the Government has created credit schemes geared towards entrepreneurship and income generation for the poor, and had set up, in the Ministry of Enterprise and Employment, a special unit for SMEs, which was responsible for creating an enabling environment conducive to full exploitation of the potential of domestic investors. The Government planned to stimulate the growth of SMEs in the country so that they could function as a powerful engine that would enhance sustainable development.

125. In combating poverty, Swaziland has encountered many problems as a result of its difficult social and economic situation, characterized by high unemployment and exacerbated by the increasing prevalence of HIV/AIDS and severe drought and storms that had adversely affected agricultural production.

126. The Secretary-General's report (A/59/138) affirmed that, on the basis of a survey conducted in 30 Sub-Saharan Africa countries, to achieve the poverty related MDGs by 2015 annual gross domestic product (GDP) growth rates of 2 to 6 percent per capita were required and landlocked economies should grow by more that 5 percent p.a. Swaziland's main concern in that connection was intense competition - especially from South Africa and Mozambique - for investment in the region. That competition had slowed down economic growth, reduced foreign direct investment (FDI) and hindered job creation in the domestic economy.

127. The founding of the New Partnership for Africa's Development (NEPAD) and of the African Union (AU) provided clear evidence that African countries were moving in the right direction. Swaziland encouraged intensive dialogue between the developing countries and the international community in support of NEPAD throughout the African continent; and welcomed UNIDO's Africa Productive Capacity Initiative (APCI).

128. The Swazi delegation appreciated United Nations efforts in connection with assistance to African countries for dealing with poverty. Swaziland was convinced that, with the support of the international community and in a spirit of true partnership, African countries would attain their objectives and succeed in the initiatives that they undertook in order to raise the living standards of their population. Swaziland encouraged all African countries to make concerted efforts and share ideas that would help the continent to eradicate extreme poverty.

129. **Mr. Likwelile** (United Republic of Tanzania) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Widespread poverty was still the main challenge to development in Tanzania and other developing countries. The multidimensional nature of poverty, which involved income related and non-income factors, required a comprehensive approach. The adoption of the Millennium Development Goals (MDGs) reflected that multidimensionality and the need for solidarity and resolve at the level of the international community. All countries should collectively identify appropriate lines of action, building on strong partnerships and cognizant of the existing unique national and regional circumstances.

130. In 2000, Tanzania had developed a Poverty Reduction Strategy Paper (PRSP) as a national guiding framework for the fight against poverty. The priority sectors identified in the PRSP had been primary education, basic health care, water and sanitation, rural roads and agriculture. The PRSP had also identified HIV and AIDS and good governance as priority cross-cutting issues. After three years of PRSP implementation, there had been achievements in all areas, but challenges remained: poverty levels were still high and macroeconomic improvements did not sufficiently translate into better living conditions for the poor. Finding ways to ensure that growth benefited the poor had been a main concern.

131. In the light of experience gained through the implementation of the first strategic paper (PRSP), Tanzania had developed a second generation PRS, known as the National Strategy for Growth and Reduction of Poverty (NSGRP). The new strategy provided for a priority outcome approach and was guided by the principles of national ownership, comprehensive view of poverty, coordinated partnerships and equity. It comprised three pillars: growth and reduction of income poverty; improvement of quality of life and social well-being; and good governance and accountability. It also effectively mainstreamed the MDGs and other regional and

international obligations and targets set out in initiatives such as the New Partnership for Africa's Development (NEPAD) and the Brussels Programme of Action (BPoA).

132. To ensure that the economically active poor took part in the growth process, it was necessary to enable them to generate their own incomes. That required specific, targeted measures. In that connection, the role of financial services, microcredit and microfinance was crucial, because they could enhance employment opportunities, improve incomes and reduce vulnerability to crises.

133. In Tanzania, more than 60 percent of microcredit and microfinance beneficiaries were women. The Government had developed a national policy on microfinance, established mechanisms providing small entrepreneurs with access to low cost credit (SELF) and encouraged the establishment of savings and credit cooperatives (SACCOS).

134. Poverty reduction required, inter alia, honouring international commitments - related to implementation, monitoring and financing - under the Monterrey Consensus and the Johannesburg Plan of Implementation. To monitor achievements, it was necessary to progress on plans for harmonisation, alignment and attainment of results, underscoring, in the process, the need for developing and using existing country monitoring systems, and for national capacity building.

135. **Ms. Adriaanse** (International Federation of Red Cross and Red Crescent Societies - IFRC) said that the analyses provided in the Secretary-General's report (A/59/326) with regard to the impact of microcredit and microfinance on poverty reduction were interesting, particularly to the IFRC member societies. For instance, microcredit was an important element of the work that the Danish Red Cross supported in Vietnam and Laos. The Secretary-General's report described microcredit as "a development tool aligned with the paradigm shift away from the provision of charity to poor people towards promotion of their access to financial services" and affirmed that beneficiaries were often "better served with targeted assistance or a combination of loans and assistance, or capacity-training skills". That approach closely resembled the way in which IFRC member societies worked in practice. There was admittedly need for great care when providing such forms of assistance, but, when they were well conceived and managed, their results could be highly beneficial for extremely vulnerable communities. The shift from charity to empowerment should be considered not merely as a fact of modern life, but as a tool that could enable communities to enhance their own dignity and build their own capacities for sustainable growth. IFRC member societies would be eager to be involved in the partnerships envisaged during the International Year of Microcredit.

136. The Secretary-General's report on globalization and interdependence assessed correctly the multidimensional relationship between macroeconomic policies and social development. The Federation intended to participate actively in the United Nations debates on the economic and social consequences of the withdrawal of public funding for important social activities, especially in the areas of health and education. Vulnerability was not decreasing. The need for providing social services and other forms of care was not decreasing either. But government funding was decreasing, and so was the pool of providers beyond Governments that had been delivering that care. The extended family was a diminishing social asset in virtually all countries. That was why so much policy and programme activity had been suggested during the International Year of Volunteers (IYV) 2001 to reinvigorate the volunteerism sector, and why IFRC, UN Volunteers (UNV) and the Inter-Parliamentary Union (IPU) intended to publish for Parliaments a Guidance Note on Volunteerism and Legislation.

137. **Mr. Husain** (Organization of the Islamic Conference - OIC), speaking on agenda item 89 (b) and referring to the recommendations contained in paragraphs 87-89 of the Director-General's report (A/59/287), concurred that it was necessary to formulate policies that enhanced migrant women's employment opportunities, access to safe housing, education, language training, health care and other services in the host country, and to develop educational and communications programmes to inform migrant woman of their rights and responsibilities under international and national laws, taking into consideration their cultural and linguistic backgrounds. The speaker also agreed with the development of policies that recognized the contributions of migrant women in the countries of destination, and ensured that their professional credentials were recognized or that training for re-certification, if required, was available.

OIC shared the United Nations' concern for the dignity, welfare and well being of women and for the potential value of their role in the development of society. That issue had been fully recognized and reflected in resolutions adopted at the latest session of Islamic Summit Conference, held in Putrajaya, Malaysia in October 2003. Those resolutions had urged member States to adopt a participatory approach that took into account women's needs and strategic interests and enabled them to participate in all national development projects and programmes. To that end, it had been proposed to convene a ministerial conference on women in order to pursue an action plan aimed at enhancing women's role in society and creating greater opportunities for them in all walks of public life.

138. Paragraph 5 of the Secretary-General's report referred to the Programme of Action of the International Conference on Population and Development (ICPD), and focused on national admission policies which, it contended, should not be discriminatory in nature and should protect women and child migrants from discrimination. The Islamic Summit Conference had also highlighted the need to combat trafficking in migrants, placing special emphasis on the protection of women and children trafficked for sexual exploitation and coercive adoptions. In that context, the OIC representative, commenting on the view being expressed in the media about the allegedly inferior status of women vis-à-vis men in the Islamic society, pointed out that Islam granted to women equality with men in all aspects of social life. It accorded to women as many rights to life, liberty and the pursuit of happiness, including the right to property and education. Although there were some societal constraints, which reflected traditions and colonial neglect, those anomalies were being recognized and remedial measures were taken when needed. The speed with which progress could, and would, be achieved in those endeavours depended on the resources and the ability of Governments and society to break some age-old traditions that still lingered. Towards that goal, OIC would welcome the effective technical and financial support of the United Nations and all development partners.

139. **The Chairman**, recapitulating the main conclusions to be drawn from the debate on the agenda item considered, noted that microcredit and the observance of an international year on that theme in 2005 had received unanimous and vigorous support. The information provided on initiatives undertaken in various countries to promote microcredit and use it as a development tool and as an instrument for combating poverty had been interesting. The delegations had referred to various issues related to existing regulations and to the development of financial mechanisms, but that debate was far from having been exhausted. There remained a certain number of points that required more detailed consideration. UNIDO's thorough report had been welcomed and emphasis had been put on increasing the productivity and furthering the development of the private sector. Some - not many - delegations had referred to the issue of women and development, raised substantive questions and made pertinent observations regarding the problems of gender equality, broadly defined. In subsequent years, it would be appropriate to focus to a greater extent on the various points addressed by the Secretariat and the United Nations agencies in their reports.

The meeting rose at 1.05 p.m.